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Hearing Date and Time: February 14, 2019 at 10:00 a.m.

and

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

SEARS HOLDINGS CORPORATION, *et al.*,

Debtors.

)
)

) Chapter 11
)
)

) Case No. 18-23538 (RDD)
)
)

) (Jointly Administered)
)

**DECLARATION OF VICKI PIAZZA IN SUPPORT MOTION
OF CERTAIN UTILITY COMPANIES TO DETERMINE ADEQUATE ASSURANCE
OF PAYMENT PURSUANT TO SECTION 366(c) OF THE BANKRUPTCY CODE**
[Docket No. 1395]

I, Vicki Piazzia declare as follows:

1. I am a Lead Analyst, US Shared Services Credit and Collections for National Grid, and I have been a Lead Analyst for 4 years and with National Grid for 29 years. In my current

position with National Grid, I assist in the credit and bankruptcy operations of the following operating companies: Boston Gas Company, Colonial Gas Company, KeySpan Energy Delivery Long Island, KeySpan Energy Delivery New York, Massachusetts Electric Company, Narragansett Electric Company and Niagara Mohawk Power Corporation (collectively, "National Grid").

2. Except as otherwise stated, all facts contained within this Declaration are based upon personal knowledge, my review of National Grid's business documents, correspondence and relevant documents, or my opinion based upon my experience concerning the operations of National Grid. If called upon to testify, I would testify to the facts set forth in this Declaration.

3. On behalf of National Grid, I submit this Declaration in support of the *Motion of Certain Utility Companies To Determine Adequate Assurance of Future Payment Motion* (the "Motion") (Docket No. 1395).

4. In making this Declaration, I am familiar with the contents of the Motion (Docket No. 1395), *Motion of Debtors Requesting Entry of an Order (I) Approving Debtors' Proposed Form of Adequate Assurance of Payment To Utility Providers, (II) Establishing Procedures For Determining Adequate Assurance of Payment For Future Utility Services, and (III) Prohibiting Utility Providers From Altering, Refusing, or Discontinuing Utility Service* (the "Utility Motion") (Docket No. 196) and the *Order (I) Approving Debtors' Proposed Form of Adequate Assurance of Payment To Utility Providers, (II) Establishing Procedures For Determining Adequate Assurance of Payment For Future Utility Services, and (III) Prohibiting Utility Providers From Altering, Refusing, or Discontinuing Utility Service* (the "Utility Order") (Docket No. 461).

5. It is part of my job responsibility with National Grid to: (A) review customer accounts with National Grid; (B) address credit issues with National Grid's customers; and (C)

address issues concerning customers that file for bankruptcy protection, including requests for adequate assurance of payment.

6. National Grid's relationship with the Debtors is governed by the following tariffs (the "National Grid Tariffs") that are on file with the applicable state utility commissions and can be obtained at:

Boston Gas Company and Colonial Gas Company:
<http://gasrates.nationalgridus.com/ne/index-rates-afternov.jsp>

KeySpan Energy Delivery Long Island:
<https://www.nationalgridus.com/Upstate-NY-Business/Rates/Tariff-Provisions>
<https://www.nationalgridus.com/NY-Business/Default>

KeySpan Energy Delivery New York: <https://www.nationalgridus.com/NY-Business/Default>

Massachusetts Electric Company:
http://www.nationalgridus.com/masselectric/non_html/rates_tariff.pdf

Narragansett Electric Company:
http://www.nationalgridus.com/Narragansett/non_html/rates_tariff.pdf

Niagara Mohawk Power Corporation:
<http://www.nationalgridus.com/niagaramohawk/business/rates/rates.asp>

7. The National Grid Tariffs establish: (a) the amount of security that National Grid is entitled to seek from its customers under applicable state law; (b) that National Grid must bill the Debtors monthly; and (c) the billing and payment terms for all of National Grid's customers. Specifically, under the billing cycles established by the National Grid Tariffs, a customer receives approximately one month of utility goods and/or services before National Grid issues a bill for such charges, which is due on presentation. The billing cycles for each National Grid Company are established pursuant to the National Grid tariffs listed in Paragraph 6 above.

8. National Grid provided the Debtors with utility goods and services prior to the

Petition Date and continues to provide post-petition utility goods and services to the Debtors at the Debtors' accounts that are listed on the chart attached to this Declaration as **Exhibit "A."** Exhibit A also lists the pre-petition losses incurred by each National Grid Company.

9. Pursuant to the National Grid Tariffs, National Grid is entitled to seek adequate assurance of payment from the Debtors in the form of a two-month cash deposit in the amounts set forth in Exhibit "A," which are the amounts that National Grid is seeking from the Debtors in these cases for the remaining active post-petition accounts that the Debtors have with National Grid.

10. National Grid is seeking a two-month deposit in this case because of the exposure created by its billing cycle.

11. For its non-bankrupt customers, National Grid accepts security in the form of cash deposits, letters of credit or surety bonds, which are forms of security maintained by National Grid.

12. Although National Grid does not want its post-petition security to be in the form of money maintained in the Adequate Assurance Account, if the Court were to hold that the security provided to National Grid is to be in that form, National Grid would ask that the Utility Order be amended to include the following additional provisions to ensure that the money held in the Adequate Assurance Account is sufficient in amount and would be available for payment of unpaid post-petition bills:

A. The amount for the National Grid operating companies be increased to the following amounts, which represent two times the average monthly bills for the active accounts that the Debtors still have with National Grid:

- i. Boston Gas Company - \$19,340
- ii. Colonial Gas Company - \$13,720

- iii. KeySpan Energy Delivery Long Island - \$31,654
- iv. KeySpan Energy Delivery New York - \$4,100
- v. Massachusetts Electric Company - \$185,942
- vi. Niagara Mohawk Power Corporation - \$197,560

B. The portion of the Adequate Assurance Deposit attributable to each National Grid operating company shall be returned to the Debtors after the Debtors' payment in full of all post-petition obligations due and owing to the applicable operating company, which the Debtors shall confirm in writing with the applicable operating company.

C. The Debtors agree to pay all post-petition charges of the National Grid operating companies by the applicable due date of the invoice, which is a due date established in accordance with applicable state laws, regulations and/or tariffs.

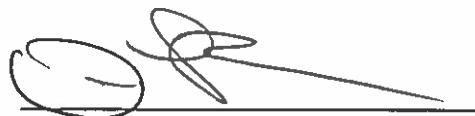
D. If the Debtors fail to pay a utility bill when due (including the passage of any cure period), the relevant National Grid operating company shall provide notice of such default to the Debtors, and if within five (5) business days of such notice, the bill is not paid, the operating company may file an application with the Court certifying that payment has not been made and requesting the amount due up to an aggregate maximum equal to the Adequate Assurance Deposit allocable to such operating company.

E. Notwithstanding anything in the Motion, the Order or (i) the orders approving the Debtors' use of cash collateral and/or post-petition debtor-in-possession financing facilities (collectively, the "DIP Orders"); (ii) the other documentation governing the Debtors' use of cash collateral and post-petition financing facilities; and (iii) the Approved Budget (as defined in the DIP Orders) to the contrary, there shall be no liens on the amounts in the Adequate Assurance

Account for the National Grid operating company that are higher in priority to National Grid's rights and interests in the amounts contained and allocated in the Adequate Assurance Account for the Utility Providers. Moreover, the amounts contained in the Adequate Assurance Account shall remain available to the Utility Providers for the payment of post-petition charges even if the Debtors cases are converted to cases under Chapter 7 of the Bankruptcy Code.

I declare under penalty of perjury pursuant to 28 U.S.C. § 1746 that the foregoing is true and correct to the best of my knowledge, information, and belief.

Executed this 8th day of February 2019, at Syracuse, New York



Vicki Piazza

Exhibit A

Redacted Post-Petition Account #	Service Address	Pre-Petition Account Balance	2 Month Depo
5581	26 COMMERCIAL RD LEOMINSTER MA 01453	\$0.00	\$3,390.00
0982	254 MAIN ST STO ACTON MA 01720	\$321.36	\$2,940.00
2102	5 MIDDLESEX AVE SOMERVILLE MA 02145	\$236.11	\$2,320.00
4443	0 WORCESTER RD STORE WEBSTER MA 01570	\$124.70	\$3,060.00
9991	250 GRANITE ST N/A BRAINTREE MA 02184	\$0.00	\$3,290.00
5061	0 MILL ST N/A LEOMINSTER MA 01453	\$0.00	\$4,340.00
	Boston Gas	\$682.17	\$19,340.00
5131	793 ROUTE 132 CCM BARNSTABLE MA 02601	\$165.00	\$2,770.00
0291	793 ROUTE 132 N/A BARNSTABLE MA 02601	\$36.26	\$3,390.00
6542	768 ROUTE 132 BARNSTABLE MA 02601	\$182.59	\$4,740.00
5462	484 BOSTON RD BILLERICA MA 01821	\$152.54	\$2,820.00
	Colonial Gas	\$536.39	\$13,720.00
3011	GREEN-ACRES MALL, AUTO CTR VALLEY STRM NY 11581	\$203.08	\$1,166.00
4013	225 ROBBINS LN SYOSSET NY 11791	\$254.92	\$1,890.00
4019	800 SUNRISE MALL, EMCOR MASSAPEQUA NY 11758	\$0.00	\$1,152.00
6014	MIDDLE-COUNTRY RD LAKE GROVE NY 11755	\$102.54	\$1,324.00
0040	5151 SUNRISE HWY SAYVILLE NY 11782	\$0.00	\$1,020.00
0087	5151 SUNRISE HWY, WALDEN BOHEMIA NY 11720	\$0.00	\$688.00
0025	5151 SUNRISE HWY BOHEMIA NY 11720	\$0.00	\$1,492.00
5019	1000 MONTAUK HWY W BABYLON NY 11704	\$550.73	\$2,632.00
4010	2044 MONTAUK HWY, STR 6368 BRIDGEHMPTN NY 11932	\$39.34	\$246.00
1014	1000 W MONTAUK HWY W BABYLON NY 11704	\$439.66	\$6,768.00
3018	839 NEW-YORK AVE, K MART HUNTINGTON NY 11743	\$244.06	\$874.00
5013	1111 FRANKLIN AVE, STR 1004 GARDEN CITY NY 11530	\$294.81	\$3,136.00
9012	JERICHO TPKE, MALL LAKE GROVE NY 11755	\$150.79	\$1,756.00
6018	34 CARMANS RD MASSAPEQUA NY 11758	\$69.72	\$818.00
4011	2310 NORTH OCEAN AVE *UNIT 4871 FARMNGVILLE NY 11738	\$65.96	\$688.00
2019	5151 SUNRISE HWY BOHEMIA NY 11720	\$45.33	\$3,008.00
6017	MONTAUK HWY, ST 6368 BRIDGEHMPTN NY 11932	\$195.67	\$1,156.00
6011	GREEN-ACRES MALL, STORE VALLEY STRM NY 11581	\$68.70	\$246.00
6010	800 SUNRISE MALL, EMCOR MASSAPEQUA NY 11758	\$304.85	\$494.00
8015	35 MELVILLE-PARK DR MELVILLE NY 11747	\$504.57	\$1,100.00
	KEDLI	\$3,534.73	\$31,654.00
1371	2359 BEDFORD AVE STR BROOKLYN NY 11226	\$325.22	\$2,360.00
0201	2307 BEVERLY RD BROOKLYN NY 11226	\$48.74	\$1,370.00
0212	2307 BEVERLY RD STR BROOKLYN NY 11226	\$95.00	\$370.00
	KEDNY	\$468.96	\$4,100.00
7025	0 AUBURN ST AUBURN MA 01501	\$179.19	\$126.00
3048	109 MARIANO BISHOP BLVD FALL RIVER MA 02721	\$5,547.50	\$4,032.00
3018	200 WESTGATE DR, TO BAU POLE 23A BROCKTON MA 02301	\$1,714.59	\$2,018.00
2028	159 WILBRAHAM RD *APT D PALMER MA 01069	\$10.67	\$1,004.00
0021	100 COMMERCIAL RD LEOMINSTER MA 01453	\$14,590.48	\$23,498.00
5031	0 WILBRAHAM RD *APT 1 PALMER MA 01069	\$11.33	\$592.00
2021	0 WILBRAHAM RD *APT 4 PALMER MA 01069	\$11.33	\$504.00
7024	0 WILBRAHAM RD *APT 6 PALMER MA 01069	\$11.00	\$782.00
4023	0 WILBRAHAM RD, POLE 3-1 PALMER MA 01069	\$4,837.50	\$10,714.00

0025	0 WILBRAHAM RD, POLE 3--1 PALMER MA 01069	\$0.00	\$388.00
9022	159 WILBRAHAM RD *APT 5 PALMER MA 01069	\$26.75	\$662.00
1026	1941 MAIN ST BROCKTON MA 02301	\$9,970.33	\$19,868.00
2032	484 BOSTON RD BILLERICA MA 01821	\$10,302.49	\$19,208.00
8022	70 WORCESTER RD WEBSTER MA 01570	\$9,440.85	\$20,038.00
5028	0 DONALD LYNCH BLVD MARLBOROUGH MA 01752	\$23,236.91	\$25,896.00
4022	200 WESTGATE DR, RE BSTO POLE 19-1 BROCKTON MA 02301	\$16,051.34	\$21,284.00
9061	385 SOUTHBRIDGE ST *APT 220 AUBURN MA 01501	\$27,461.44	\$10,600.00
1020	1775 WASHINGTON ST *APT 68, 68 BMAL HANOVER MA 02339	\$17,953.08	\$24,728.00
	MECO	\$141,356.78	\$185,942.00
4118	0 ROUTE 50 SARATOGA SPRINGS NY 12866	\$11,808.57	\$10,248.00
8116	93 W CAMPBELL RD SCHENECTADY NY 12306	\$5,418.58	\$13,762.00
0012	WASHINGTON AVENUE EXT *UNIT 208, STR# 03160 ALBANY NY	\$1,269.42	\$5,208.00
3117	318 E FAIRMOUNT AVE *STR 430 LAKEWOOD NY 14750	\$4,879.15	\$9,490.00
3118	20951 ARLSENAL ST WATERTOWN NY 13601	\$9,628.87	\$9,008.00
9116	6929 WILLIAMS RD, * NIAGARA FALLS NY 14304	\$3,546.86	\$10,922.00
8111	3649 ERIE BLVD E, * DEWITT NY 13214	\$12,978.96	\$16,146.00
9115	3649 ERIE BLVD E, ***** DEWITT NY 13214	\$559.44	\$1,724.00
5113	1001 HERTEL AVE BUFFALO NY 14216	\$13,358.92	\$17,068.00
9117	1251 STATE ROUTE 29 *STE 10 GREENWICH NY 12834	\$3,274.32	\$12,370.00
5116	2590 MILITARY RD *SIGN NIAGARA FALLS NY 14304	\$22.26	\$46.00
7110	2803 BREWERTON RD, * MATTYDALE NY 13211	\$11,415.74	\$13,426.00
8026	349 ORCHARD PARK RD WEST SENECA NY 14224	\$11,221.90	\$18,646.00
7018	49 DIX AVE, * QUEENSBURY NY 12801	\$14,939.35	\$21,928.00
1110	8363 LEWISTON RD BATAVIA NY 14020	\$13,051.08	\$12,994.00
8011	1195 NIAGARA FALLS BLVD AMHERST NY 14226	\$3,201.81	\$4,314.00
5118	2590 MILITARY RD NIAGARA FALLS NY 14304	\$8,348.86	\$17,466.00
3118	1300 ARSENAL ST WATERTOWN NY 13601	\$79.24	\$464.00
2019	3649 ERIE BLVD E, * DEWITT NY 13214	\$46.07	\$700.00
9113	3649 ERIE BLVD E, **** DEWITT NY 13214	\$101.35	\$352.00
6119	2803 BREWERTON RD, , MATTYDALE NY 13211	\$46.17	\$582.00
8102	308 DIX AVE QUEENSBURY NY 12804	\$96.89	\$696.00
	NMPC	\$129,293.81	\$197,560.00